

Parts Management Re-engineering and Warfighter Support

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Parts Management

What is it?

- Part Selection during design
- Part analysis for reliability, availability, quality
- Screening for common usage
- Reducing number of unique parts



Why Do I Care???

Logistics Footprint

The size of the presence of logistics support required to deploy, sustain, and move a weapon system, including:

- Inventory/equipment
- Personnel
- Facilities
- Transportation
- Real Estate

History of Parts Management

1977: MIL-STD-965, Parts Control Program

1983: SECDEF Weinberger Spare Parts Acq
memo

1984: DEPSECDEF Taft DoD Parts Control memo

1994: SECDEF Perry Acquisition Reform memo

1996: MIL-HDBK-965, Parts Management
Program

2000: MIL-HDBK-512, Parts Management

Background

- HQ DLA requested relief from Parts Management **(July 2003)**
- ADUSD (Logistics Plans & Programs) directed DSPO to reengineer DoD Parts Management **(October 2003)**
- DSPO established PMRWG **(February 3, 2004)**

Background (cont'd)

- Scope of working group expanded to address parts management throughout system life cycle **(February 20, 2004)**
- PMRWG kickoff **(March 18, 2004)**
 - Charter
 - Reengineer entire DoD parts management process
 - Emphasize reduction in logistics footprint

Challenges

- Reengineer process with a clean slate
 - Reduce the Logistics Footprint
- Focus on desired results
 - Operational availability
 - Operational reliability
 - Cost per unit of usage
 - Logistics Response Time

Challenges

- Systems Engineering Approach
 - Parts Selection Process
 - DMS/MS Planning
 - Parts Management Plan
- Milestone Reviews
 - Ensure compliance
 - Measure effectiveness

Findings

- Footprint is growing
- Parts management can moderate growth
- Acquisition environment lacks adequate emphasis on parts management at the DoD level
 - discipline, motivation, incentives, and requirements
- Systems Engineering discipline currently lacks parts management focus
- Most DoD programs do not address DoD level parts management
- A performance-based mechanism to restore balance already exists (MIL-HDBK-512, SD-19)

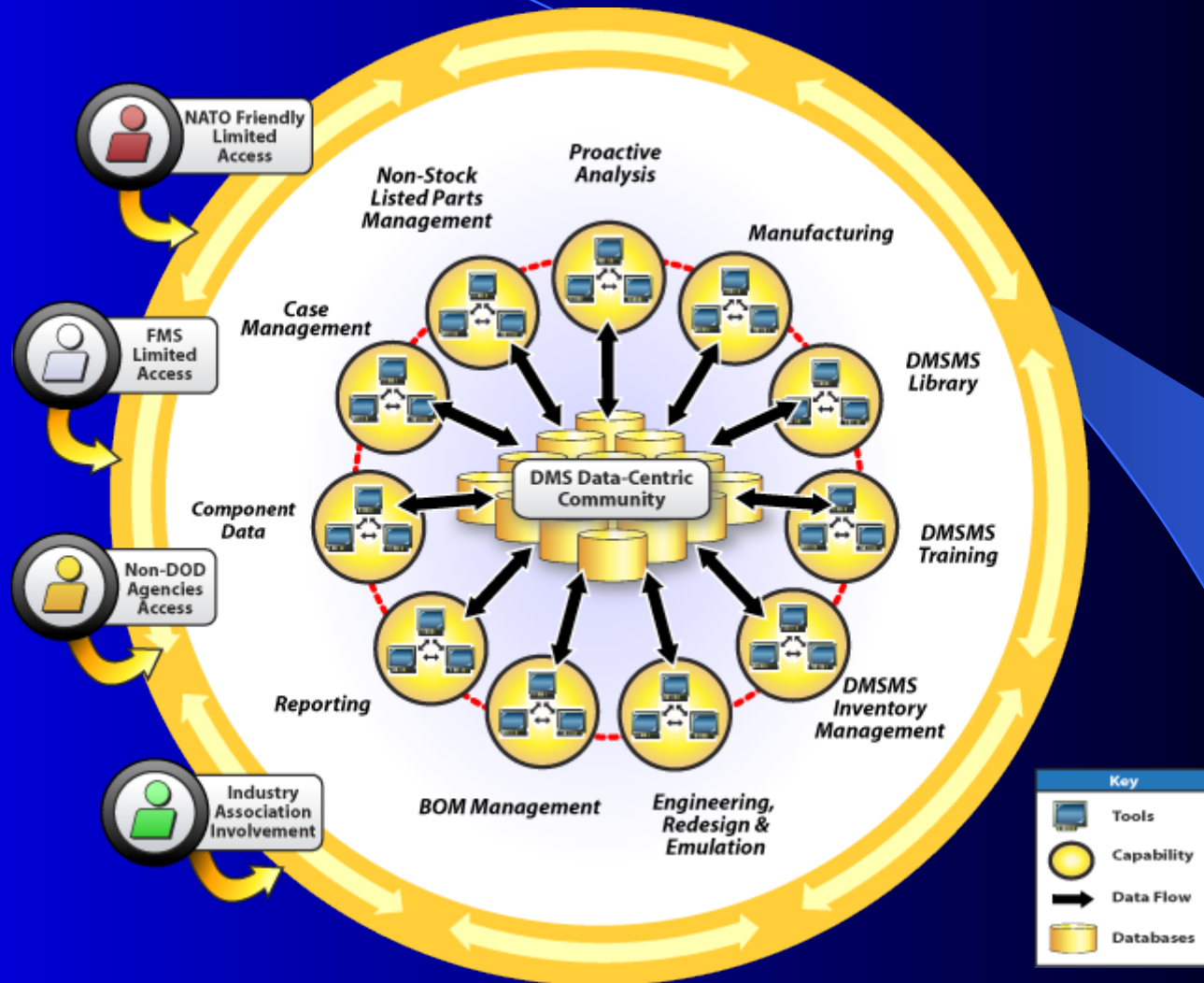
Conclusions

- Parts Management needs to be a requirement
- Parts Management needs a total system approach
- Parts Management can be fully accomplished within a performance-based environment
- Parts Management decision-makers need better tools

Major Recommendations

- Restore parts management as an engineering discipline
- **Make parts management a contractual requirement**
 - Identify effective incentives
- Improve DOD organization for parts management
- Build key partnerships and relationships
 - Educate and train
- **Create a Parts Management Center of Excellence**
- Develop parts management tools and metrics
- Develop new marketing products
- Understand parts management's contribution to logistics footprint

DMSMS COE Capabilities



PMRWG Next Steps

- Issue final report
- Draft appropriate language to realize the necessary changes to reengineer the process
- Relate the reengineered parts management process to performance metrics
- Evaluate existing parts management processes and tools to determine the appropriate change action (ongoing)
- Integrate industry best practices

Next Steps (cont.)

- Develop strategies to increase cross-service/ platform interoperability/standardization
- Coordinate proposed changes with Systems Engineering community, program managers, and industry
- Engage and coordinate with acquisition policy community to assist with development of language

Next Steps (cont.)

- Identify requirements, tools, metrics to enable effective parts management/standardization
- Define incentives for DoD-wide parts management/standardization performance
- DSPO form implementation teams to develop plans to execute recommendations

Implementation

- Develop Detailed Implementation Plan
- Continue working recommendations already in process
- Obtain TLCSM Approval and Support
- Begin working remaining recommendations
- Redefine organizational responsibilities
- Provide improved tools and databases
- Optimize resources

Warfighter Support

Parts management:

- Ensures the optimum part is used in a design from a quality, reliability, availability, logistical, and cost standpoint
- Provides the Warfighter with a more reliable, maintainable weapon system
- Ensures that the logistics community has a better understanding of the part and its application
- Provides metrics that relate parts management decisions to increases in readiness as well as ROI